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7                   **UNITED STATES DISTRICT COURT**  
8                   **DISTRICT OF NEVADA**  
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10 FRANK TADDEO, *et al.*,

11                 Plaintiffs,

12 v.

13 AMERICAN INVSCO CORPORATION,  
14 *et al.*,

15                 Defendants.

Case No. 2:08-CV-01463-KJD-RJJ

**ORDER**

16                 Before the Court is Plaintiffs' Motion to Allow Plaintiffs to Conduct Discovery on Class  
17 Certification (#814). Defendant Countrywide filed an Opposition (#818), Defendants American  
18 Invscor Corporation, American Invscor Realty, Inc., Condominium Rental Services, Inc., SEG  
19 Nevada Consultants, Inc., and SEG Nevada Members, LLC (collectively "the AI Defendants") filed  
20 an Opposition (#819), and Defendant ConAm Management ("ConAm") filed an Opposition (#820)  
21 and joined the AI Defendants' Opposition (#821). Plaintiffs sought expedited briefing and the Court  
22 rules on the Motion and the Oppositions together herein.

23                 I. **Background**

24                 This Court, in its June 24, 2011 Order (#810) lifted the Private Securities Litigation Reform  
25 Act ("PSLRA") stay to allow all Defendants named in this action to conduct limited discovery  
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1 related only to class certification. Plaintiffs now argue that they should be allowed to conduct  
2 discovery on a wide range of issues which they claim are related to class certification. The AI  
3 Defendants and ConAm argue that most of the information that Plaintiffs seek is within their own  
4 control or unrelated to class certification. Defendant Countrywide argues that, since Plaintiffs assert  
5 no class claims against Countrywide, Plaintiffs should not be allowed discover from Countrywide.

6 II. Analysis

7 "District courts have broad discretion to control the class certification process, and  
8 "[w]hether or not discovery will be permitted ... lies within the sound discretion of the trial court."  
9 Vinole v. Countrywide Home Loans, Inc., 571 F.3d 935, 942 (9th Cir. 2009) (quoting Kamm v. Cal.  
10 City Dev. Co., 509 F.2d 205, 209 (9th Cir.1975)). Although this type of discovery may be appropriate  
11 in some circumstances, it is inappropriate where it is unlikely to produce sufficient information on  
12 which to base class certification. See e.g. Doninger v. Pacific Northwest Bell, Inc., 564 F.2d 1304,  
13 1308 (9th Cir. 1977).

14 Plaintiffs first sought class certification in 2008 and have previously unsuccessfully requested  
15 some of the discovery they seek here. (#692 September 20, 2010 Order Denying Motion for Limited  
16 Discovery). On September 30, 2010 this Court indicated that it would entertain requests for  
17 discovery relating to the class certification issue. (#695). On November 23, 2010, the AI Defendants  
18 requested this discovery in relation to their Opposition to class certification (## 722, 723). In  
19 response, Plaintiffs took the position that discovery on this issue was unnecessary. (#749). In their  
20 instant Motion, Plaintiffs fail to explain why they, as Plaintiffs, now need the extensive discovery  
21 they request. Accordingly, this Court declines to grant the requested discovery.

22 III. Conclusion

23 The PSLRA stay is lifted as to all named Defendants. Defendants shall file responsive  
24 pleadings to Plaintiffs' Motion to Certify Class (#706) on or before August 24, 2011 in accordance  
25 with this Court's June 24, 2011 Order (#810).

1 Accordingly, **IT IS HEREBY ORDERED THAT** Plaintiffs' Motion to Allow Plaintiffs to  
2 Conduct Discovery on Class Certification (#814) is **DENIED**.

3 DATED this 27th day of July 2011.

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8 Kent J. Dawson  
9 United States District Judge  
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